

## REMARKS

Applicant requests reconsideration of the Office Action mailed September 20, 2007. Claims 1-5, 7-16, 18-33, 35-40, and 42-46 are pending in the application. None of the claims have been amended; however, a listing of the pending claims is included herewith for convenience.

### Interview Summary

The undersigned counsel thanks Examiner Liversedge for the time and courtesy she extended in a personal interview conducted November 30, 2007. The interview focused primarily on independent Claim 1 and the patentability of the claims over Lupien '353 and Jain '278. Applicant agreed to formally submit the present response for further consideration.

### Patentability of Claims Over Lupien and Jain

Claims 1-5, 7-16, 18-27, 30, 33, 35-37, 40, and 42-44 were rejected as being unpatentable over U.S. Patent No. 5,101,353, to Lupien et al. (hereinafter "Lupien") in view of US Patent No. 6,343,278, to Jain et al. (hereinafter "Jain"). Claims 28-29, 31-32, 38-39, and 45-46 were rejected as being unpatentable over Lupien and Jain and further in view of U.S. Patent No. 6,377,940, to Tilfors et al. (hereinafter "Tilfors"). Applicant respectfully submits that the combination of Lupien and Jain does not teach each and every element recited in the pending claims, nor does the disclosure of Tilfors overcome the deficiencies of Lupien and Jain. Accordingly, withdrawal of the claim rejections and allowance of the application is proper.

### Claims 1-5, 7-11, and 27-29

Claim 1, in part, recites "retrieving a decision table . . . wherein the decision table further includes a holding tank capable of storing a plurality of orders *that have been generated but not yet submitted for execution at a market.*" (Emphasis added solely for the sake of discussion.) Claim 1 further recites "wherein at least one action of at least one rule in the decision table is to

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store an order in the holding tank, the holding tank having one or more market-related conditions associated therewith, the method further comprising monitoring the one or more conditions of the holding tank and *when the one or more conditions are met, removing the orders from the holding tank and taking at least one specified action with respect to each of the removed orders.*" (Emphasis added, again solely for the sake of discussion.) As noted in applicant's prior Office Action responses, support for these elements is found in the present application, for example at page 28, lines 4-13, and at page 48, line 11, to page 50, line 4 of the application as filed.

Contrary to assertions made in the Office Action, neither Lupien nor Jain teaches all of the elements of Claim 1. The Office Action, for example, relied on Lupien for allegedly teaching a method using a decision table, wherein the decision table includes a holding tank as claimed. Applicant respectfully disagrees.

According to Lupien, as soon as an order is generated, the order is submitted to a market for execution, be it a market internal to Lupien's system or to one or more external computerized exchanges, brokerage services, or market access networks. See, e.g., Col. 10, lines 24-29 ("The resultant analysis will be used in step 40 to generate buy and sell orders and/or sets of orders at specific prices for transmission by the system both internally to other clients and externally to outside broker dealers, exchanges and/or others for each security in the client's portfolio . . ."). Lupien further explains, at Col. 11, lines 10-37 (emphasis added):

A particular advantage of this invention is that clients running their own balancing algorithms may in step 42 alter any order *on the system* by changing, cancelling or adding to it. What differentiates this capability, as implemented by this invention, from others that allow the keyboard or computerized entry of orders into computerized securities trading systems is that the system of the invention allows computers to alter and receive confirmation of order changes *on national markets* with a delay of only seconds. For *orders that have been placed outside of the system* due to direct connection with automated brokers and/or exchanges, such as INSTINET and the CINCINNATI Stock Exchange, through external data terminal 22, the speed of the cancellation or altering process depends on

the response time of these other computers. By comparison, *orders placed on other electronic order routing systems*, such as the Designated Order Turnaround (DOT) system of the New York Stock Exchange, for example, although entered by computer, still generally depend for execution on human specialists or traders who must ultimately react to the order. Hence, undesirable and unexpected delays are inherent. This invention substantially removes such problems. Manual alteration of orders, although not usual due to the speed of operation of the system and the reliance on trading algorithms, is also available to clients at step 42.

In circumstances where Lupien's system decides not to generate an order, the system, by default, maintains the current position of the portfolio it is managing. See, e.g., Col. 10, lines 61-64. In any case, Lupien does not teach or suggest storing orders in a holding tank as claimed in the present application, where the orders have been generated but not yet submitted for execution at a market.

The Office Action (page 15) referred to Figure 7, steps 40-46, of Lupien and remarked that "[n]ot until step 46 is the order released to an external market." While step 46 involves submitting an order to an external market, that does not mean the order has not previously been submitted for execution at an internal market. Indeed, steps 40-44 involve submitting the order to an internal market at which the order may be executed (or "matched") with a contra-side order.

According to Lupien, orders generated at step 40 are submitted for execution at a market. Col. 10, lines 24-30. If a decision is made in step 40 to enter no order, control of the program is transferred back to block 32 for analysis to proceed on the next security in the portfolio. Col. 10, lines 61-64.

At step 42, the user may "alter any order *on the system* by changing, cancelling or adding to it" (Col. 11, lines 12-13). However, it is evident at that point that the order has already been submitted to the market for execution. While the user may change, cancel, or add to the order before the order has been matched, as illustrated by step 44, the order nonetheless is available on

the system for execution. Contrary to Claim 1 of the present application, orders in Lupien do not constitute orders "that have been generated but not yet submitted for execution at a market."

With respect to element 70 of Figure 8, Lupien explains "Users of this system place orders with controller CPU 10 which in block 70 stores and maintains a list, referred to in the industry as a "book", of such orders ranked by price, source (internal or external of the system), size and time of order." Col. 12, lines 61-66. Orders in a market's book are orders that have been submitted to the market for execution. They do not constitute "orders that have been generated but not yet submitted for execution at a market," as recited in Claim 1.

For at least the above reasons, applicant submits that Claim 1 is not taught by Lupien. Applicant has further studied the disclosure of Jain and finds that Jain does not overcome the deficiencies of Lupien.

The Office Action (page 5) cited Jain for allegedly disclosing orders that are subject to a common order limit, wherein multiple order can be submitted as a group and wherein the multiple orders are subject to one price. While applicant does not concede that this accurately represents the disclosure of Jain, applicant submits that such disclosure still does not teach or suggest "monitoring the one or more conditions of the holding tank and when the one or more conditions are met, removing the orders from the holding tank and taking at least one specified action with respect to each of the removed orders," as claimed in Claim 1.

The Office Action asserted it would be obvious to modify Lupien according to Jain "to adapt the practice of defining a single condition for the release of multiple orders [from a holding tank]," but applicant disagrees. In Jain, a trader may designate a single amount that functions as a single limit amount for multiple orders for the same currency (Col. 9, lines 26-27). However, Jain ultimately executes each order on a one-by-one basis. As explained by Jain, "[f]or a set of orders subject to an Order Limit *any deal completed for one order* under the Order Limit will

reduce the size (that is, will reduce the notational amount) for all the orders by the deal amount." (Emphasis added.) Accordingly, while Jain may adjust the Order Limit for the remaining unexecuted orders, it is evident that Jain handles each order separately. Jain does not contemplate "removing the orders from the holding tank and taking at least one specified action with respect to each of the removed orders [when the one or more conditions are met]," as claimed in Claim 1.

In view of the above, applicant submits that Claim 1 is not taught by any combination of Lupien and Jain and thus should be allowed. Claims 2-5, 7-11, and 27-29 are also patentable for their dependency on Claim 1 and for the additional subject matter they recite. Additionally, applicant has carefully considered the Tilfors reference and submits that Tilfors does not disclose a plurality of holding tanks as claimed nor does Tilfors overcome the other deficiencies of Lupien and Jain discussed above.

Claims 12-16, 18-26, and 30-32

Claim 12 recites, in part, a method of facilitating trading that includes "retrieving . . . a decision table representing an order processing methodology . . . wherein the decision table further includes a holding tank capable of storing a plurality of orders that have been generated but not yet submitted for execution at a market, and . . . wherein at least one action of at least one rule in the decision table is to store an order in the holding tank, the holding tank having one or more market-related conditions associated therewith, the method further comprising monitoring the one or more conditions of the holding tank and when the one or more conditions are met, removing the orders from the holding tank and taking at least one specified action with respect to each of the removed orders."

For reasons similar to those discussed above with respect to Claim 1, applicant submits that Claim 12 is patentable over Lupien and Jain. Neither Lupien nor Jain teaches or suggests all

of the elements of Claim 12 as required to establish a *prima facie* case of obviousness. Claim 12 should be allowed.

Claims 13-16, 18-26, and 30-32 are also allowable for their dependency on patentable Claim 12 and for the additional subject matter they recite. As noted above, Tilfors does not disclose a plurality of holding tanks nor does it overcome the deficiencies of Lupien and Jain.

Claims 33 and 35-39

Claim 33 is directed to a system for facilitating trading. The system includes a computer having a processing component to process an order by retrieving a decision table having rules that specify at least one condition and at least one action to be taken when the at least one condition is satisfied. The decision table further includes a holding tank capable of storing a plurality of orders that have been generated but not yet submitted for execution at a market.

As claimed, the holding tank has one or more market-related conditions associated therewith. The processing component is further configured to monitor the one or more conditions of the holding tank and when the one or more conditions are met, to remove the orders from the holding tank and take at least one specified action with respect to each of the removed orders.

The foregoing features are not taught or suggested by any combination of Lupien and Jain. Accordingly, applicant submits that Claim 33 is patentable over the cited art.

Claims 35-39 are dependent on Claim 33 and are patentable for the same reasons as Claim 33, as well as for the additional subject matter they recite. Claims 35-39 are allowable over Lupien, Jain, and Tilfors, whether considered alone or in combination.

Claims 40 and 42-46

Claim 40 is directed to a computer-accessible medium having executable instructions stored thereon for facilitating trading. The instructions, when executed, cause a computer to

process an order in accordance with a decision table, wherein the decision table has rules that specify at least one condition and at least one action to be taken when the at least one condition is satisfied. The decision table further includes a holding tank capable of storing a plurality of orders that have been generated but not yet submitted for execution at a market, wherein at least one action of at least one rule in the decision table is to store an order in the holding tank. The instructions, when executed, further cause the computer to monitor one or more market-related conditions associated with the holding tank and when the one or more market-related conditions are met, to remove the orders from the holding tank and take at least one specified action with respect to each of the removed orders.

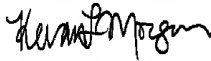
As with Claim 34, the features of Claim 40 are not fairly taught or suggested by any combination of Lupien and Jain. Claims 42-46 are dependent on Claim 40 and thus are patentable for the same reasons as Claim 40, as well as for the additional subject matter they recite. The plurality of holding tanks recited in Claims 45-46 is not taught by Tilfors (nor is it taught by Lupien or Jain).

#### CONCLUSION

Applicant respectfully requests withdrawal of the claim rejections and issuance of a notice of allowance. Should the Examiner identify any additional matters that need resolution prior to allowance, the Examiner is invited to contact the undersigned counsel by telephone.

Respectfully submitted,

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